

FIRST REGULAR SESSION

# SENATE BILL NO. 674

94TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR BRAY.

Read 1st time March 1, 2007, and ordered printed.

TERRY L. SPIELER, Secretary.

2514S.01I

## AN ACT

To amend chapter 386, RSMo, by adding thereto one new section relating to renewable energy resources.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Chapter 386, RSMo, is amended by adding thereto one new section, to be known as section 386.890, to read as follows:

**386.890. 1. This section shall be known and may be cited as the "Easy Connection Act".**

**2. As used in this section, the following terms mean:**

**(1) "Commission", the public service commission of the state of Missouri;**

**(2) "Customer-generator", the owner or operator of an electric generation unit which:**

**(a) Is powered by a renewable energy resource;**

**(b) Has an electrical generating system with a capacity of not more than one hundred kilowatts, but not exceeding the customer-generator's peak energy usage;**

**(c) Is located on premises that are owned, operated, leased, or otherwise controlled by the customer-generator;**

**(d) Is interconnected and operates in parallel with a retail electric supplier; and**

**(e) Is intended primarily to offset part or all of the customer-generator's own electrical requirements;**

**(3) "Department", the department of natural resources;**

**(4) "Net metering", using a single meter to measure the difference between the electricity supplied to a customer-generator by a retail electric supplier and the electricity supplied by the customer-generator**

22 to the retail electric supplier over the applicable billing period;

23 (5) "Renewable energy resources", electric energy produced from  
24 wind, solar thermal sources, photovoltaic cells and panels, dedicated  
25 crops grown for electricity generation, plant-based residues, methane  
26 from landfills or from wastewater treatment, and fuel cells using  
27 hydrogen produced by one of the above-named renewable energy  
28 sources, and other sources of energy that become available after August  
29 28, 2007 and are certified as renewable by rule by the department;

30 (6) "Retail electric supplier" or "supplier", any public utility,  
31 municipal utility or cooperative that sells electric energy to the  
32 ultimate consumer thereof.

33 3. A retail electric supplier:

34 (1) Shall make net metering available to customer-generators on  
35 a first-come, first-served basis until the total rated generating capacity  
36 of net metering systems equals five percent of the utility's single-hour  
37 peak load during the previous year, after which the commission, for a  
38 public utility, or the governing body, for other electric utilities, may  
39 increase the total rated generating capacity of net metering systems to  
40 an amount above five percent;

41 (2) Shall offer to the customer-generator a tariff or contract that  
42 is identical in energy rates, rate structure, and monthly charges to the  
43 contract or tariff that the customer would be assigned if the customer  
44 were not an eligible customer-generator, but shall not charge the  
45 customer-generator any additional standby, capacity, interconnection,  
46 or other fee or charge;

47 (3) Shall disclose annually the availability of the net metering  
48 program to each of its customers, with the method of disclosure being  
49 at the discretion of the electric utility.

50 4. A customer-generator's facility shall be equipped with  
51 metering equipment that can measure the flow of electric energy in  
52 both directions. The retail electric supplier shall use a single bi-  
53 directional electric revenue meter. If the customer-generator's existing  
54 meter does not meet these requirements, the supplier shall install and  
55 maintain a new revenue meter at the company's expense. Any  
56 subsequent revenue meter change necessitated by the customer-  
57 generator shall be paid for by the customer-generator.

58 5. Consistent with the other provisions of this section, the net

59 energy measurement shall be calculated in the following manner:

60 (1) For a customer-generator, a retail electric supplier shall  
61 measure the net electricity produced or consumed during the billing  
62 period in accordance with normal metering practices for customers in  
63 the same rate class;

64 (2) If the electricity supplied by the supplier exceeds the  
65 electricity generated by the customer-generator during the billing  
66 period, the customer-generator shall be billed for the net electricity  
67 supplied by the supplier in accordance with normal metering practices  
68 for customers in the same rate class;

69 (3) If the electricity generated by the customer-generator  
70 exceeds the electricity supplied by the supplier during the billing  
71 period, the customer-generator shall be billed for the appropriate  
72 customer charges for that billing period, in accordance with subsection  
73 3 of this section, and shall be credited for the excess kilowatt-hours  
74 generated during the billing period, with this kilowatt-hour credit  
75 applied to the following billing period;

76 (4) After the last monthly bill for each twelve-month period, or  
77 when the customer-generator terminates the net metering relationship  
78 with the supplier, any remaining credits may not be carried forward.

79 6. (1) Each qualified generation unit and qualified net metering  
80 unit used by a customer-generator shall meet all applicable safety,  
81 performance, interconnection, and reliability standards established by  
82 the National Electrical Code, the Institute of Electrical and Electronics  
83 Engineers, and Underwriters Laboratories. No supplier shall impose  
84 any fee, charge, or other requirement not specifically authorized by  
85 this section or the rules promulgated under subsection 8 of this section  
86 unless the fee, charge or other requirement would apply to similarly  
87 situated customers who are not customer-generators.

88 (2) For systems of ten kilowatts or less, a customer-generator  
89 whose system meets the standards and rules under subdivision (1) of  
90 this subsection shall not be required to install additional controls,  
91 perform or pay for additional tests, or purchase additional liability  
92 insurance.

93 (3) For customer-generator systems of greater than ten kilowatts,  
94 the commission, for public utilities, and the governing body, for other  
95 utilities, shall:

96           (a) Set forth safety, performance, and reliability standards and  
97 requirements; and

98           (b) Establish the qualifications for exemption from a  
99 requirement to install additional controls, perform or pay for  
100 additional tests, or purchase additional liability insurance.

101           7. Applications by a customer-generator for interconnection to  
102 the distribution system shall be reviewed and responded to by the  
103 retail electric supplier within thirty days of receipt thereof. If the  
104 application for interconnection is approved by the retail electric  
105 supplier and the customer-generator does not complete the  
106 interconnection within one year of the approval, the approval shall  
107 expire and the customer-generator will be responsible for filing a new  
108 application.

109           8. The commission shall, within nine months of August 28, 2007,  
110 promulgate rules necessary for the administration of this section,  
111 which shall include regulations ensuring that simple contracts will be  
112 used for interconnection and net metering. For systems of ten  
113 kilowatts or less the application process shall use an all-in-one  
114 document that includes a simplified interconnection request, simplified  
115 procedures, and a brief set of terms and conditions.

116           9. Each retail electric supplier shall submit an annual net  
117 metering report to the commission including the following information  
118 for the previous compliance year:

119           (1) The total number of customer-generator facilities;

120           (2) The total estimated generating capacity of its net-metered  
121 customer-generators; and

122           (3) The total estimated net kilowatt-hours received from  
123 customer-generators.

124           10. Any rule or portion of a rule, as that term is defined in  
125 section 536.010, RSMo, that is created under the authority delegated in  
126 this section shall become effective only if it complies with and is  
127 subject to all of the provisions of chapter 536, RSMo, and, if applicable,  
128 section 536.028, RSMo. This section and chapter 536, RSMo, are  
129 nonseverable and if any of the powers vested with the general assembly  
130 under chapter 536, RSMo, to review, to delay the effective date, or to  
131 disapprove and annul a rule are subsequently held unconstitutional,  
132 then the grant of rulemaking authority and any rule proposed or

133 **adopted after August 28, 2007, shall be invalid and void.**

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Unofficial

Bill

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